## 4/23/77

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THE WHITE HOUSE WASHINGTON
April 23, 1977

Hamilton Jordan

The attached was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

Re: White House Projects.

ACTION	FYI			
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		POWELL	_	
		WATSON	_	
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ENROLLED BILL
AGENCY REPORT
CAB DECISION
EXECUTIVE ORDER
Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

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П	FOR INFORMATION
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П	LOG IN/TO PRESIDENT TODAY
П	IMMEDIATE TURNAROUND

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THE WHITE HOUSE WASHINGTON
April 23, 1977

Greg Schneiders

The attached was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

Re: White House Projects

5. Development of a Domestic Crisis Management System

This involves the development of a management system appropriate to the special requirements of a domestic crisis situation such as the Hanafi siege. The prominent features of such a system would include identification of a domestic crisis, identification of an Administration "lead" person, facilitation of communication, coordination, monitoring and response. We are working with Hamilton, Bob Lipshutz, Richard Harden and NSC.

6. Study of Protection for Government "Whistle-blowers"

Review of past legislation by Kennedy, G. Spellman and H. Badillo to determine if the Administration should consider reviving and sponsoring such bills. We are working with Stu and OMB on this.

Ham – see me T

April 21, 1977

MEMORANDUM FOR:

The President

FROM:

Greg Schneiders G.5.

SUBJECT:

White House Projects

Following is a brief summary of the current activity of the Office of White House Projects.

- 1. Continuation of the "People-to-People" Program
  Projection of six month schedule of "People"
  events; monthly meeting of People Committee
  to review new proposals and monitor scheduling;
  coordination with Vice President's long-term
  scheduling efforts.
- 2. Federal Information Centers

  Tracking of GSA's current FIC management upgrading. Working with Jay Solomon on planning of FIC role in FY 1979 GSA budget.
- 3. President's Program for Student Participation
  This is a proposal to involve high school
  students in data-gathering and analysis
  functions for the Executive branch of the
  Federal Government. We have been working
  with Mark Siegel, Secretary Califano, NEA,
  AFT and "Close-Up" to develop a comprehensive
  program. A detailed option memo will follow
  soon.
- 4. Development of a Citizen Roundtable Program

  This is a proposal to hold "mini-conferences at the White House on a regular basis. Some of the suggested topics are: Volunteerism, World Hunger, Reorganization (participants drawn from civil service) and Welfare Reform. We have been working with Midge Costanza, Sam Brown and Ralph Nader on this. Option memo to follow.

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1	MONDALE	Γ	ENROLLED BILL
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	POWELL		48 hours; due to
	WATSON		Staff Secretary
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### THE WHITE HOUSE

WASHINGTON

April 21, 1977

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April 22, 1977

Hamilton Jordan Bob Lipshutz

The attached is forwarded to you for your information.

Rick Hutcheson

Re: White House Projects.





April 23, 1977

## Evan Dobelle

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Tim kraft

Re: Photos of Credential Presentation Ceremony.

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your shared count Thru
your shared count Thru
ne. Thanks.
R. L.

# THE CHIEF OF PROTOCOL DEPARTMENT OF STATE WASHINGTON

April 21, 1977

MEMORANDUM FOR THE PRESIDENT

Subject: Photographs of Credential Presentation Ceremony.

In the past it has been the practice of former President's to autograph a photograph of the Credential Presentation Ceremony to the appropriate Ambassador as a memento of the occasion.

As this is one of the few times that an Ambassador is photographed with you I would suggest that this practice be continued. If you approve I will have my office make the necessary arrangements with personnel at the White House.

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THE WHITE HOUSE WASHINGTON April 23, 1977

The Vice President Stu Eizenstat Hamilton Jordan Bob Lipshutz Frank Moore Jack Watson

The attached was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

Re: Hatch Act

ACTION	
MONDALE	ENROLLED BILL
COSTANZA	AGENCY REPORT
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THE WHITE HOUSE

WASHINGTON

April 21, 1977

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MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT LIPSHUTZ

(A) \$

We have been made aware of a problem about the application of the Hatch Act to some members of the Vice President's staff.

Part of the Vice President's staff is paid from the Legislative branch appropriation and part from the Executive branch appropriation.

The Hatch Act includes an exemption for persons paid "from the appropriation for the Office of the President." No such specific exemption is provided for Executive branch employees of the Vice President. Persons paid from the Legislative appropriation are not covered by the Hatch Act.

The Civil Service Commission takes the position that the Vice President's staff, because of its intimate association with the President, is exempt from the Hatch Act.

However, in the course of a recent memorandum on official and political travel, the Justice Department stated its belief that those members of the Vice President's staff who are paid from the Executive branch appropriation are covered by the Hatch Act.

The application of the Hatch Act to the Vice President's staff would make it very difficult for the Vice President to carry out basic political assignments. Mondale's senior political people '(such as Dick Moe, Mike Berman and Jim Johnson) are on the Executive branch payroll and there would be difficulties with moving these people to the Legislative payroll.

The Vice President's staff suggests that the most effective solution would be an amendment to the

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Hatch Act to exempt those persons paid from the Executive branch appropriation for the Vice President in a manner parallel to the exemption for your office. The Vice President concurs. They believe that such an amendment could probably be attached to a non-controversial bill at a fairly early date.

The continuing need for the Vice President to engage in political travel lends an immediacy to this matter which suggests it should not wait until the Congress has an opportunity to consider general amendments to the Hatch Act.

The Vice President's staff has talked with Frank Moore and he concurs in this approach. I recommend that, with the concurrence of the leadership in both houses, we proceed with an appropriate amendment at the earliest time.

April 21, 1977

Hamilton Jordan

The attached is forwarded to you for your information.

Rick Hutcheson

Re: Hatch Act

April 23, 1977

The Vice President Hamilton Jordan Frank Moore

The attached was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

Re: Recommended phone call to Muriel Humphrey

ACTION	FYI			
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		WATSON		Staff Secretary
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## THE WHITE HOUSE

WASHINGTON

April 22, 1977

### RECOMMENDED TELEPHONE CALLS

TO:

Muriel Humphrey

DATE:

Saturday, April 23, 1977

RECOMMENDED

BY:

Frank Moore

PURPOSE:

To wish her a speedy recovery. Mrs. Humphrey had gall bladder surgery on Thursday and is doing well.

I recommend that you telephone Senator Humphrey today. He is in Minnesota staying at the Kahler Hotel (507/282-2581). I think he would very much appreciate a call from you offering moral support and asking when his wife might be well enough to receive a call from you. I do not believe that Mrs. Humphrey will be able to accept a telephone call until Saturday.

Her telephone number in Rochester is 507/

286-8433.

Date	ΟÏ	Submis	ssion	l		A	pri	LI A	22,	19	77		 	 	
Actio	n				 							 	 		

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THE WHITE HOUSE WASHINGTON April 23, 1977

Bob Lipshutz

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Stu Eizenstat Hamilton Jordan Jack Watson

Re: FBI Search Committee.

ACTION			
	MONDALE	F	ENROLLED BILL
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THOM: BOTT.

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THE WHITE HOUSE

WASHINGTON

April 21, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT LIPSHUTZ

Of F

SUBJECT:

FBI Search Committee

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b) White House much

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c) where time - C.

About the same time you sent your memorandum to Griffin Bell relative to completing this Committee's work within the original ninety-day period, Irving Shapiro requested Griffin, and Griffin mentioned to me, that the Committee be given an additional sixty days in which to complete its work. Prior to leaving on his western trip, Griffin advised Irving of your memorandum requesting completion of the Committee's search within the original ninety-day period.

Shapiro discussed his problems with Peter Flaherty and then telephoned me as well. He urges you to reconsider your earlier decision and to approve a sixty-day extension. He states that the very open process which his Committee is employing to learn the names of prospective directors simply requires more time than originally contemplated.

Exclusive of possible appointees within the FBI itself, the Committee has already received the names of about 100 people from the many people throughout the country whom it has contacted; it is now in the process of obtaining information about these people; and it has not yet felt it appropriate to begin interviews of those whom they otherwise might consider qualified.

Shapiro points out that, if the Committee does not have sufficient time with which to do the far-reaching and thorough job which it wishes to do, the result might well have to be either getting

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someone within the FBI or "getting some one the White House has in mind."

In view of the numerous instances of diligent assistance which Irving Shapiro has given to us during the past months, I would suggest that very serious consideration be given to both his analysis and request.

Also, the matter can still be reviewed with Griffin Bell when he returns to Washington. The next meeting of the Advisory Committee will be here in Washington on Tuesday, April 26.

April 22, 1977

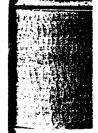
Hamilton Jordan

The attached is forwarded to you for your information.

Rick Hutcheson

Re: FBI Search Committee





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THE WHITE HOUSE
WASHINGTON
April 23, 1977

Zbigniew Brzezinksi

The attached was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

Re: Your Newsweek Interview

April 22, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Your Newsweck Interview

I assume your Newsweek interview will be on your first 100 days, and there are a few points on foreign affairs that you may wish to register. For example, your foreign policy stands in sharp contrast to that of Ford/Kissinger in the following ways:

- 1. You have re-identified the United States with an ideal. Traditionally, the United States has been seen abroad as a society that is associated with certain basic values. During the last several years, however, the impression became widespread that domestically we are concerned with consumption and abroad only with the balance of power. Your stress on human rights has corrected this.
- 2. With regard to the Soviet Union, your predecessors saw us as working against the tides of history. Their approach was pessimistic and defensive. On arms control, they were prepared to settle for an arrangement which kept the arms race going and which could even create considerable uncertainties in a few years hence about the balance of power. In contrast, you have succeeded in raising a fundamental moral issue which for the first time in many years has put the Soviet Union on the defensive. You have not made it a condition for your relations with the Soviet Union, but the very power of the idea of human rights has made the Soviets defensive.

With regard to SALT, you have made the first comprehensive proposal for reductions and a freeze.

3. With regard to the Middle East, you have shaped a conceptual framework for dealing more flexibly with a hitherto intractable problem. This is stimulating both the Arabs and the Israelis into a more precise definition of their positions, and this process is

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likely to facilitate negotiations pointing towards a more general settlement. Despite initial criticisms, your basic formulations regarding the settlement are now gaining widespread approval and represent a real breakthrough.

- 4. On Africa, instead of plunging headlong into the Zairian problem (the way we did into Angola -- followed by an ignominious retreat), we have encouraged a coalition of African and non-African states to assume the major burden, with our indirect backing. This is both wiser and more efficient.
- 5. On global issues, you have taken the necessary steps to deal with the problems of nuclear proliferation and the dissemination of arms. Both items represent a significant step forward in dealing with a mounting global threat.
- 6. Finally, with regard to North-South issues, at the femiliary Summit we will be defining a joint policy which is more forthcoming on such critical issues as commodities and long-term financing. While it would be premature to be specific, it might be important to stress here that our philosophy and general approach to North-South problems is much more constructive and in keeping with historical needs.

April 23, 1977

Hamilton Jordan

The attached was returned in the Precident's outbox. It is forwarded to you for appropriate handling.

Rick Butcheson

cc: Jim King

Re: Railroad Retirement Board.

Earl Oliner

ACTION		
	MONDALE	ENROLLED BILL
	COSTANZA	AGENCY REPORT
	EIZENSTAT	CAB DECISION
X	JORDAN	EXECUTIVE ORDER
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April 22, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

HAMILTON JORDAN H.S.

SUBJECT:

RAILROAD RETIREMENT BOARD

Attached is a short profile of the Railroad Retirement Board, together with a biography and comments on Earl Oliver, the candidate recommended by the Association of American Railroads.

Mr. Oliver's references check out very well, and I recommend you approve his appointment.

APPROVE	
DISAPPROVE	JC
OTHER	

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The Railroad Retirement Board is a three member board legislated by Congress whose primary responsibility is the administration of unemployment and pension benefits for railroad workers. The Board, by statute, is made up of one member recommended by railroad management, one member recommended by railroad labor organizations, and a third neutral member who serves as Chairman of the Board.

The management seat has been vacant since July 1976. Mr. Earl Oliver is the candidate recommended by the Association of American Railroads, representing railroad management having more that 95% of all rail revenues.

The Board has a fairly active agenda, dealing both with internal organization matters and policy questions relating to social security and other pension related matters.

The Board is quite anxious to see Mr. Oliver approved and able to work.

I recommend the appointment of Mr. Earl Oliver.

Appoint Oliver			
Hold off appointment	of	Oliver	

#### RAILROAD RETIREMENT BOARD

EARL OLIVER

Monticello, Ky. (60)

### Comments:

Rev. Henry Starnes, his pastor, says that Mr. Oliver is the Secretary of his Church Board, very active in the Church, and one of the finest characters he has ever met.

Bryan Burhoe, Executive Assistant, Illinois Central Gulf Railroad, gives Mr. Oliver his highest recommendation, outstanding job with the railroad, fought to get a personnel function for this particular railroad; extremely able administrator and excellent at labor negotiations; keen sense of timing and feel for issues.

Neil Spiers, labor member of the Railroad Retirement Board: Has known Mr. Oliver for the past 10 years and highly recommends him for this position.

<u>Don Montgomery</u>, Conroller of Illinois Central Gulf Railroad, Highly recommends Oliver, says he is a very qualified individual.

Earl Oliver

Born: Monticello, Ky., February 25, 1917

Education: Ponca City, Okla., elementary and high schools; B.A. in English from Oklahoma A&M College (now Oklahoma State University); one year of graduate study in English at OAMC and one year of graduate study in English at the University of Minnesota.

Church affiliation: Episcopalian.

Employment:

1941-1948 Chicago and Northwestern Railway--secretary, chief clerk, safety inspector, assistant trainmaster, trainmaster

1948-1975 Illinois Central Railroad/Illinois Central Gulf Railroad

1948-1956 subordinate labor relations positions

1956 Manager of Personnel (highest officer for the purposes of the Railway Labor Act)

1963 Director of Personnel ) head of department (title 1965 Vice President--Personnel) change in 1965); original jurisdiction: labor relations, safety, employment, and audio-visual services (later transferred to public relations); jurisdiction gradually expanded over the years prior to 1975 to include also training and development, professional and executive recruitment, personnel evluation, salary administration, equal employment opportunity, labor law, EEO law, employee benefits (including retirement and pensions), Medical Department, and employee assistance program (alcohol and drug abuse), and finally materials management (purchasing and stores), real estate, and corporate services

1975 (March) Senior Vice President--Personnel and Administra-

tion (title change)

1975 (November) retired from ICG service

Since retirement: staff work on a limited basis for National Railway Labor Conference and Railroad Labor-Management Committee

September 12, 1976

### THE WHITE HOUSE

WASHINGTON

#### **ADMINISTRATIVELY CONFIDENTIAL**

April 23, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

FRANK MOORE

SUBJECT:

Weekly Legislative Report

1. ENERGY

### Energy Legislation (Strategy and Coordination)

-- A meeting was held on Saturday, April 23, involving staff from the White House congressional liaison office and Fred Hitz from Dr. Schlesinger's staff. The purpose of the meeting was to discuss a program to insure close coordination of the legislative efforts once the legislation is sent to the Hill.

-- It was agreed that a team will be set up immediately. It will involve: Dr. Schlesinger's staff, the White House congressional liaison staff, and appropriate Agency congressional liaison officers. This team will be responsible for devising a work plan for the entire package. Specific assignments will be made and a system for frequent reporting and centralized data gathering will be instituted under the degis of the White House congressional liaison office.

Recommendation: The President should (a) remind the Cabinet that their help will be needed in getting the energy plan through Congress; and (b) any and all feedback that they gather from Members of Congress on the energy plan should be transmitted directly to Frank Moore.

### Energy Department

-- The Energy Department bill is in mark-up in both House and Senate. Dr. Schlesinger and his staff will be following the mark-up closely next week. Chairman Brooks' Government Operations Subcommittee on Legislation and National Security will mark-up the bill on April 26 and 27. The major issue in the Subcommittee is the FPC roll-in, with Rep. Moss (D-Cal) and Rep. Erlenborn (R-Ill) opposed to the roll-in and Rep. Horton (R-NY) interested in placing more restrictions on the Board of Hearings and Appeals and the Economic Regulatory Administration. Rep. Moss is the major problem (he would retain more influence over an independent regulatory agency than a Federal Executive Department). However, Chairman Brooks supports the FPC roll-in.

ADMINISTRATIVELY CONFIDENTIAL

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- -- The House Science and Technology Committee is not pleased with ERDA's alleged diminished role in the proposed Department (the Committee may ask for a sequential referral of the legislation). The staffs of the two committees will meet early next week on this issue.
- -- The Senate Governmental Affairs Committee will continue mark-up of the bill April 26, 27 and possibly 28. The major issue, again, is the FPC roll-in. Dr. Schlesinger's staff expects that the Committee will vote for a modification of this provision, as advocated by Senator Jackson, although opposed at this time by Chairman Ribicoff.

#### Energy Policy:

- -- Dr. Schlesinger will probably testify before the Senate Energy and Natural Resources Committee on May 3, 1977. Dr. Schlesinger's initial testimony before the House Ad Hoc Select Committee will be after the May 3rd appearance although the time has not yet been set.
- 2. FY 1978 FIRST BUDGET RESOLUTION
- -- The House has scheduled floor consideration of the resolution for next Tuesday and Wednesday. The Senate has postponed consideration until the week of May 2.
- -- The resolution sets spending and revenue targets for FY 1978 by budget aggregates and by functional categories as guidelines for Congressional action prior to the start of FY 1978 next October. The targets do not bind the Congress to any level of spending or require any particular legislative action, although they are used as strong guidelines in floor debate on legislation. As reported from both Budget Committees, the Resolution provides the following funding levels:

  Senate Committee

  President

runding levels:			Senate Committee		President s
	February	House	As		April
	budget	Committee	Adopted	Adjusted 1/	Update
Receipts Outlays Deficit	401.6 459.4 -57.7	$\frac{398.1}{462.3}$	$\frac{395.6}{458.8}$ $\frac{-63.2}{}$	$\frac{396.6}{459.8}$ $-63.2$	404.7 462.6 -57.9
Budget Authority	507.3	500.8	497.4	498.4	

<sup>1/</sup> For comparability with budget and House treatment of the earned income credit.

#### <u>House</u>

- -- In reaching these targets, the House Committee made legislative and policy assumptions, which include:
  - \* Enactment of an economic stimulus package, providing \$13.4 BILLION in spending for jobs programs in FY 1978.

- \* Reductions of \$4.2 BILLION (BA), \$2.3 BILLION (0) in the Administration's defense budget.
- \* Increased outlays for community and regional development; education, training, employment, and social services; and veterans' benefits and services.
- \* Enactment of the Administration's cost-containment legislation to set limits on increases in hospital charges.
- \* Phasing out of the impact aid programs for education by FY 1979.
- \* Restoration of nearly all funds for water projects.
- \* Enactment of legislation prohibiting payment of the October cost-of-living pay adjustment to Members of Congress, and top-level judicial and executive branch employees.

The resolution also states that additional time and information are needed to make final decisions on FY 1978 fiscal policy, due to uncertainty surrounding the current economic outlook. Therefore, the resolution declares that the committee may recommend additional economic stimulus in the Second FY 1978 Budget Resolution, or a reduction in economic stimulus spending, as the economic situation may require.

- -- Chairman Giaimo will offer a Committee amendment to adjust 1977 revenues for elimination of the tax rebate and to add \$1.5 BILLION for increased agricultural subsidies in FY 1978. The Defense Department will be working to restore the cut in the defense function (they hope to have Majority Leader Wright offer the amendment on the floor). Chairman Giaimo intends to help fight back floor amendments which would result in additional spending add-ons. Other potential amendments include (but are not limited to) the following:
  - \* Rep. Derrick (D-S.C.) may offer an amendment to strike funds assumed in the resolution for water projects. Derrick's decision on offering this amendment will be based on whether he feels he can support the Richard Russell Dam decision. Chances of success on this potential amendment are slim (Majority Leader Wright would strongly oppose it).
  - \* Rep. Wolff (D-NY) may offer an amendment to accelerate entitlements under the GI Bill and extend the delimiting period under certain circumstances. OMB estimates the cost at between \$1 to \$4 BILLION depending on the source.
  - \* Rep. Latta (R-Ohio) may offer a Republican substitute resolution providing for reduced spending outlays and lower tax rates.
  - \* Rep. Mitchell (D-Md.) will offer an amendment to cut \$12.95 BILLION of funds for national defense and transfer \$9.93 BILLION of that amount to domestic social programs.

- \* Rep. Pike (D-NY) will offer an amendment to reduce budget authority and outlays in the general government function by \$7 million, with the intent to delete funds for the recent pay raise for Members of Congress.
- \* It is expected that an amendment will be offered, possibly as a substitute to the Pike amendment, to delete funds for all of the current federal pay increases to federal judges, Cabinet officers, White House staff, and other Executive branch officials.
- \* Rep. Holtzman (D-NY) may offer an amendment to restore funding for LEAA to its FY 1977 level.
- \* Rep. Rousselot (R-Cal) may offer a substitute to reduce the targets in the resolution to achieve a balanced budget.
- \* Rep. John Burton (D-Cal) may offer an amendment to reduce by \$9.95 BILLION funds for national defense in order to reduce the national debt by that amount.
- \* Rep. Holtzman (D-NY) may offer an amendment to increase funds in the income security function with the intent of increasing the federal government's share of welfare costs.
- \* Rep. Holtzman (D-NY) may offer an amendment to raise the revenue floor for FY 1977 and FY 1978 to accommodate a deletion of business tax cuts.

#### Senate

- -- The Senate Budget Committee met last Friday morning to discuss possible Committee amendments to the resolution. At this meeting, Senator Muskie expressed displeasure concerning the Administration's timing of the release of budget re-estimates. He stated that he wished to convene hearings next week with Lance, Blumenthal, and Schultze to discuss recent shifts in economic policy and the most recent budget estimates before taking the resolution to the floor. Thus, the resolution may be recommitted to Committee and floor action will not come before the week of May 2.
- -- HUD is actively working to restore the \$6.2 BILLION budget authority cut from housing assistance and the \$500 million budget authority cut from the community development block grant program.

Recommendation: The President should stress to the Cabinet that the only add-ons that are being supported by the Administration are those previously approved (i.e., Defense in the House, HUD in the Senate, and Agriculture adjustments to reflect the compromise figure).

#### 3. FY 1978 DEFENSE AUTHORIZATION

- -- The House did not complete action on the bill last week and is scheduled to conclude votes on amendments and final passage on Monday. The Defense Department expects the bill to pass basically as reported by the Committee.
- -- In the Senate, the Armed Services Committee is in the process of marking up the bill and will probably complete action next week (last week the Defense Department sent a "reclama" letter to the Senate Armed Services Committee which expresses the Department's differences with the House bill). The Defense Department expects that the Senate Committee will alter some restrictions placed on the bill, but that it will also approve some add-ons, i.e., procurement of 16 C-130s and 12 A-7s with long lead procurement for 12 more. In addition, DOD expects that R&D funds and personnel levels for the military medical school will be approved by the Senate Committee.
- -- It is probable that final action on the Defense Authorization bill will result in add-ons in procurement. (In working with the Armed Services Committees in past Congresses, the Defense Department has institutionally highlighted Committee reductions rather than Committee spending increases.)

#### 4. CLEAN AIR

- -- Next Wednesday, the House Interstate and Foreign Commerce Committee has scheduled mark up of the bill. John Dingell, as you know, has gone after the bill with everything he's got. Also, UAW and the Auto Dealers Assoc. are lobbying very hard against the Administration's position. Members who are considered swing votes on the Committee are Reps. Mikulski (D-Md), Gore (D-Tenn.), Walgren (D-Pa), Russo (D-Ill), Metcalfe (D-Ill), Carney (D-Ohio), and Rooney (D-Pa). Rep. Paul Rogers thinks it will be very tough going. White House congressional liaison staff will be making calls Monday to the swing votes. Presidential phone calls may be requested.
- -- Mr. Costle is scheduled to testify before the Dingell Subcommittee on next Monday afternoon.

#### 5. STRIP-MINING

-- The House is scheduled to consider the strip-mining bill next week after finishing action on the First Budget Resolution. Interior and White House staff will be working early next week to develop head counts and strategy on the Administration-supported (and opposed) floor amendments. The bill's opponents are expected to argue that the legislation runs counter to the Administration's energy plan and are likely to try to delay action on it. The Interior Department expects the bill to pass the House in a form acceptable to the Administration.

#### 6. FARM BILL

- -- In his meeting with the Senate Agriculture Committee last Friday, Secretary Bergland strongly reiterated the Administration's commitment to price and income levels, and budget impact of the Administration's farm bill, but could not budge a single vote. Estimated cost of the Committee's tentative decisions on the bill would be \$3.9 BILLION for the 1978 crop alone. Agriculture reports that Chairman Talmadge has been a strong ally in trying to hold down cost, but that there is great pressure from wheat states, in particular, for substantial increases in support levels. Agriculture is working closely with the Chairman's staff and others in an effort to gain reconsideration of the excessive levels. Mark up continues next week.
- The House Committee on Agriculture began mark up on the Subcommittee recommendations for the farm bill. Thus far, the committee has completed the dairy section which sets the support between 80% and 90% of parity for the 1978 through 1979 period with the range of 75% to 90% for the remainder of the bill. At this time, based upon favorable weather, the budget outlay would total \$6.2 BILLION per year. Efforts to reduce this figure in the full Committee should meet with some success. However, it will be extremely difficult to hold the line at \$2 BILLION. Secretary Bergland met with the Democratic members of the Committee on Wednesday to present the compromise support levels. This meeting produced strong commitment from the Committee leadership for support of the Administration's proposal.

#### 7. ARAB BOYCOTT

-- Commerce reports that Jewish and business groups have reached a <u>tentative</u> compromise on the Senate bill (House bill was passed last week). Commerce, State, and Domestic Council staff will meet next Tuesday to discuss the issue and set a course of action.

#### 8. REORGANIZATION

-- OMB staff plans to write each Member of the House and Senate next week informing them of the EOP study and suggesting that those interested might send in their ideas or suggestions. OMB believes the letter should eliminate any possible criticism of not adequately communicating with Congress on this issue. OMB reports that the EOP project is moving on schedule and should be ready for delivery to the Hill in June.

#### 9. ECONOMIC STIMULUS

-- The Public Works Jobs bill is still in conference, but Commerce expects an agreement will be reached next week. Treasury reports that it is possible that the countercyclical authorization may be attached to the Senate tax bill next week. The Economic Stimulus Appropriations bill is still hung up in the Senate pending action on the tax bill.

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#### 10. DROUGHT LEGISLATION

-- Commerce reports that S 1279 (loans to communities impacted by the current drought) will probably be marked-up by the Senate Subcommittee on Regional and Community Development, chaired by Sen. Burdick on April 27. It should move through the Senate very quickly thereafter. The House has indicated substantial cooperativeness and may pass the Senate bill. Commerce expects that the legislation will be ready for an on-site signing during the May 17 trip to California. In the House, the bill will be considered by Bizz Johnson's Public Works and Transportation Committee.

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-- SBA reports that S 1305 (Haskell) is tentatively scheduled for mark up on May 3. In a preliminary meeting of appropriate Senate staff members held on April 21, the Administration's proposal remained essentially intact. Language requiring a business to prove 20% or more economic injury before qualifying for assistance was deleted. On the House side, the Small Business Committee has problems providing disaster assistance to drought victims at 5% interest when other disaster victims receive loans at 6 5/8% interest.

#### 11. YOUTH EMPLOYMENT

- -- The House and Senate are conducting hearings on H.R. 6138 and S. 1242 (the Administration's bills) and related youth bill.
- -- Current plans in the Senate are to mark up the bill along with the CETA extension bill on April 28 in the Employment Subcommittee with the full Human Resources Committee to mark up on May 10. The major concerns in the Senate revolve around the adequacy of funds for the program. Some Senators -- especially Humphrey, Jackson, Javits and Williams -- would like to see the authorization increased from \$1.5 BILLION to \$2.5 BILLION. Labor Department also reports that most Senators seem to want more money to be distributed on a formula basis rather than at the discretion of the Labor Department.
- -- Current plans in the House are to mark up the bill in the Employment Opportunities Subcommittee on April 28 or May 2 with full Education and Labor Committee mark up on May 4. Labor reports the major concern in the House seem to be an antipathy toward Part B of the Administration bill which establishes a "soft" public works type fix-up jobs program (this part is in the bill to accommodate Senators Randolph and Stafford). Labor believes that if the House substantially reduces this program, that it will be their problem to work it out with the Senate and that the Administration does not need to get in the middle.

#### FLOOR ACTIVITIES FOR WEEK OF APRIL 25

#### House

Monday

- -- 4 Bills Considered Under Suspension of Rules as follows:
- 1) H.R. 2210, Gerald R. Ford Building. To be managed by Rep. Norm Mineta (D-Cal), Chairman, Public Buildings Subcommittee (Public Works & Transportation).
  - <u>Bill Summary</u>: The bill names a federal office building in Grand Rapids, <u>Michigan</u>, for former President Ford. The House passed a similar measure in the 93rd Congress which was subsequently pocket-vetoed by President Ford. There would be no costs incurred by the enactment of this bill.
- 2) H.R. 5675, Tax and Loan Accounts. To be managed by Rep. Parren Mitchell, Chairman, Domestic Monetary Policy Subcommittee (Banking, Finance and Urban Affairs).
  - Bill Summary: The bill provides the Treasury Department with authority to earn interest on its idle tax and loan accounts by investing them in interest-bearing securities for periods of up to 90 days. In addition, the Treasury would reimburse depositories for expenses they incur in handling tax and loan accounts. The bill also authorizes the inclusion of savings and loans associations in the tax and loan system. Because of possible adverse impact of the bill on minority banks and small banks, the Treasury would phase in the investment authority with respect to such banks over a five-year period. The Treasury Department supports the bill.
- 3) H.R. 5638, United States-Canadian Reciprocal Fisheries Agreement.
  - <u>Bill Summary</u>: The bill, previously scheduled for last week but not acted upon, gives congressional approval of the agreement as requested by the Administration.
- 4) H.R. 6370, International Trade Commission Authorization for FY 1978.

  To be managed by Rep. Charles Vanik (D-Ohio), Chairman, Trade Subcommittee (Ways & Means).
  - Bill Summary: The bill authorizes \$11.5 million for operations of the International Trade Commission for FY 1978 (the total is \$655,000 less than the amount requested by the Administration). The bill also describes general qualifications for persons appointed as commissioners and provides that a commissioner may be removed from office only for "inefficiency, neglect of duty or malfeasance in office." In addition, the bill modifies the appointment procedure for the Chairman of the Commission by providing that the President appoint the chairman and vice chairman for three-year terms rather than one-year terms. The bill provides that the chairman and vice chairman not be of the same political party and specifically describes the areas of responsibility of the chairman. The bill requires a report to Congress on operations of the Commission six months after enactment of this bill. According to OMB, there is no Administration position on the bill because the ITC is an independent agency.

Monday (Cont'd) -- H.R. 5970, Defense Procurement and R&D Authorization for FY:1978. Action was not completed on this bill last week. The House is scheduled to conclude votes on amendments and final passage on Monday.

Tuesday and Wednesday -- H.Con.Res. 195, First FY 1978 Concurrent Budget Resolution. To be managed by Chairman Giaimo.

Wednesday and -- H.R. 2, Surface Mining Control and Reclamation Act. balance of week

#### Senate

- -- The Senate will next convene on Monday and continue debate on the Republicansponsored permanent tax reduction amendment to the economic stimulus/tax bill. There will probably be no votes until Tuesday. Many Senators have amendments to the bill and final action may not come until late in the week.
- -- Upon disposition of the tax bill, the Senate will take up a resolution to modify the Senate filibuster rule. Action on this matter will consume the rest of the week.
- -- Floor action on the Budget Resolution, originally scheduled for this week, has been postponed until the week of May 2.

#### SUMMARY

- -- It's going to be a tough week for us (the real crunch is on). Members will be taking their gloves off on the energy plan and it's important that we are set up right for it.
- -- On budget add-ons, there is always a bureaucratic tendency to fight hardest on restoring congressional cuts. Department heads need to be constantly reminded that the President is serious about holding down the budget.

ACTION	FYI	
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	X	EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
	X	WATSON

ENROLLED BILL
 AGENCY REPORT
CAB DECISION
EXECUTIVE ORDER
Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
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#### Mr. President:

Stu concurs with Lance. The attached proposed presidential memorandum has been edited slightly by Stu (with OMB's approval) to clarify several points, including:

- that the agency review process is subject to the October 1, 1977 deadline for a work product; and
- that the independent review panel set up by OSTP start immediately (and not wait for the 10/1/77 report).

Frank Press says he is prepared to convene an interagency committee and a review panel on dam safety programs if you approve Lance's memo.

CEQ concurs with Lance, and suggests that the program clearly define the geologic and hydrologic conditions under which dam construction should be precluded. CEQ also suggests that the proposed memo indicate to heads of Federal agencies with dam safety responsibilities that they should be prepared to undertake a separate but consistent review of non-Federal dams if so requested by the President.

--Rick

April 23, 1977

Bert Lance Stu Eizenstat Jack Watson

The attach was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

Re: Dam Safety Program.

# OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20593

APR 1 9 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

Bert Lance Director

SUBJECT:

Dam Safety Program

Attached for your signature is a memorandum to the heads of several Federal agencies with dam safety responsibilities.

#### The memorandum:

- -- directs the heads of agencies to review all their practices that could affect dam safety to assure adequacy in all respects;
- -- directs the Chairman of the Federal Coordinating Council for Science, Engineering, and Technology to coordinate dam safety programs, searching for consistency and commonality where appropriate;
- -- directs the Director of the Office of Science and Technology Policy to have the coordinated programs reviewed by an outside panel of recognized experts, and report to the President on October 1, 1978.

Such a series of reviews is deemed necessary and desirable in the aftermath of the Teton Dam failure and subsequent Executive and Congressional investigations.

The memorandum has been reviewed by all concerned Executive Branch agencies.

In addition to getting the Federal House in order, we are also reviewing the previous Administration's position on the Federal role in the inspection and possible rehabilitation of non-Federal dams. We should have our recommendations to you on this separate but related issue shortly.

;

#### THE WHITE HOUSE

WASHINGTON

April 23, 1977

#### MEMORANDUM FOR

THE SECRETARY OF THE INTERIOR

THE SECRETARY OF AGRICULTURE

THE SECRETARY OF THE ARMY

THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

THE PRESIDENT'S ADVISER ON SCIENCE AND TECHNOLOGY

THE CHAIRMAN, FEDERAL POWER COMMISSION

THE CHAIRMAN, TENNESSEE VALLEY AUTHORITY

THE COMMISSIONER, U.S. SECTION, INTERNATIONAL

BOUNDARY AND WATER COMMISSION

The safety of dams has been a principal concern of Federal agencies that are involved with the various aspects of their planning, construction, operation and ultimate disposal. Events of the past several years have highlighted the need to review procedures and criteria that are being employed by these agencies with the objective of ensuring that the most effective mechanisms are established to give the best assurance of dam safety possible within the limitations of the current state of knowledge available to the scientific and engineering communities. The safety of such projects should continue to be accorded highest consideration, and it is the responsibility of the head of each agency concerned to ensure the adequacy of his agency's dam safety program.

#### I. Agency Dam Safety Reviews

The head of each Federal agency responsible for, or involved with site selection, design, construction, certification or regulation, inspection, maintenance and operation, repair and ultimate disposition of dams shall immediately undertake a thorough review of practices which could affect the safety and integrity of these structures. This review will encompass all activities which can be controlled or regulated by the agency.

Several aspects of the problem require special attention. In particular, the following items should be investigated: the means of inclusion of new technological methods into existing structures and procedures; the degree to which probabilistic or risk-based analysis is incorporated into the process of site selection, design, construction, and operation; the degree of reliance on in-house, interagency, and outside expert interpretation of geologic data in site selection and design development; the effect on dam safety of earthquake or other earth movement hazards; the effects of cost-saving incentives on decisions both prior to and during construction; the procedures by which dam safety problems are identified, analyzed and solved; the involvement of local communities in identifying, analyzing and solving dam safety questions; and the major outstanding dam safety problems of the agency.

#### II. Interagency Report and Proposed Guidelines

The Chairman of the Federal Coordinating Council for Science, Engineering and Technology (FCCSET) shall convene an ad hoc interagency committee to coordinate dam safety programs, seeking consistency and commonality as appropriate, and providing recommendations as to the means of improving the effectiveness of the Government-wide dam safety effort. The agency reviews described above should be provided to the FCCSET as a basis for the interagency analysis on a timetable established by the FCCSET group as reasonable and consistent with the October 1, 1977 deadline for a final report. Representation on the FCCSET for this activity should be expanded to include other appropriate Federal agencies or departments including, but not limited to, the Tennessee Valley Authority, the United States Section-International Boundary and Water Commission and the Federal Power Commission. The FCCSET effort will include preparation of proposed Federal dam safety guidelines for management procedures to ensure dam safety. FCCSET should report on all these items.

#### III. Independent Review Panel

In addition, the Director of the Office of Science and Technology Policy will arrange for review of agency regulations, procedures and practices, and of the proposed federal dam safety guidelines, by a panel of recognized experts to be established immediately. The panel will obtain the views

and advice of established organizations, professional societies, and others concerned with the safety of dams. The purpose of this review is to advise the President as to the adequacy of procedures and regulations throughout the Federal Government to ensure the safety of dams which are in any way affected by a Federal role.

The review and a report thereon should be completed no later than October 1, 1978.

Timmy Carter

Electrostatic Copy Made for Preservation Purposes

#### THE WHITE HOUSE

WASHINGTON

April 19, 1977

**MEMORANDUM** 

FOR ACTION:

Stu Eizenstat

Jack Watson Ne

Frank Press www

FOR INFORMATION: The Vice President

Concur Charles Warren

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FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/19/77 re Dam Safety Program.

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 5:00 P.M.

DAY: Thursday

DATE: April 21, 1977

**ACTION REQUESTED:** 

\_x\_ Your comments

Other:

**STAFF RESPONSE:** 

\_ I concur.

No comment.

Please note other comments below:

#### PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

April 22, 1977

Jim McIntyre -

As requested, attached are the changes proposed by Stu Eizenstat in Federal Dam Safety Program memorandum.

Please review and return your comments as quickly as possible.

Rick Hutcheson





April 21, 1977

MEMORANDUM FOR RICK HUTCHESON

FROM

STU EIZENSTAT

Sign

SUBJECT

Action item on federal dam safety program

My staff has analyzed the proposed memorandum on dam safety and has discussed it with OMB and OSTP people. We feel (and the OMB and OSTP people have no objection) that a number of clarifications and a few minor additions would make it a much better memo. As a directive to the agencies it is important that the instructions from the President are clear. In addition, this is an issue with a great deal of public concern, and I would expect the memo should be made public in view of the water project announcement on Monday.

With those concerns in mind, we would suggest the attached revision. The changes would:

- Clarify that the agency review process feeds into the inter-agency review committee and is therefore subject to the October 1, 1977 deadline for a work product;
- Add a few important items to the issues deserving close scrutiny;
- Clarify that the independent review panel set up by OSTP is to be started immediately and not wait for the October 1, 1977 report.

In addition, some other minor changes have been suggested.

## THE WHITE HOUSE

April 21, 1977

MEMORANDUM FOR THE SECRETARY OF THE ARMY
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE CHAIRMAN, TENNESSEE VALLEY
AUTHORITY
THE COMMISSIONER, U.S. SECTION,
INTERNATIONAL BOUNDARY AND
WATER COMMISSION
THE CHAIRMAN, FEDERAL POWER
COMMISSION
THE PRESIDENT'S ADVISOR ON
SCIENCE AND TECHNOLOGY
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET

The safety of dams has been a principal concern of Federal agencies that are involved with the various aspects of their planning, construction, operation and ultimate disposal. Events of the past several years have highlighted the need to review procedures and criteria that are being employed by these agencies with the objective of ensuring that the most effective mechanisms are established to give the best assurance of dam safety possible within the limitations of the current state of knowledge available to the scientific and engineering communities. The safety of such projects should continue to be accorded highest consideration, and it is the responsibility of the head of each agency concerned to ensure the adequacy of his agency's dam safety program.

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Several aspects of the problem require special attention. In particular, the following items should be investigated: the means of inclusion of new technological methods into existing structures and procedures; the degree to which probabilistic or risk-based analysis is incorporated into the process of site selection, design, construction, and operation; the degree of reliance on in-house, interagency, and outside expert interpretation of geologic data in site selection and design development; the effect on dam safety of earthquake or other earth movement hazards; the effects of cost-saving incentives on decisions both prior to and during construction; the procedures by which dam safety problems are identified, analyzed and solved; the involvement of local communities in identifying, analyzing and solving dam safety questions; and the major outstanding dam safety problems of the agency.

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The review and a report thereon should be completed no later than October 1, 1978.

## EXECUTIVE OFFICE OF THE PRESIDENT COUNCIL ON ENVIRONMENTAL QUALITY 722 JACKSON PLACE, N. W.

722 JACKSON PLACE, N. W. WASHINGTON, D. C. 20006

April 21, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren .

Gus Speth Marion Edey

SUBJECT: Dam Safety Program, Director Lance Memo

of 4/19/77

Thank you for the opportunity to comment on the Dam Safety Program memorandum. The Council on Environmental Quality fully supports this action. In addition we suggest that special consideration be given to the following:

- The proposed program does not specifically provide for establishing limitations on the extent to which safety can be engineered into a dam proposal, i.e., not building a dam at all under certain conditions.
- We believe that the program should clearly define the geologic and hydrologic conditions under which dam construction should be precluded.
- The memo to heads of Federal agencies with dam safety responsibilities should note that they should be prepared to undertake a separate but consistent review of non-Federal dams if so requested by the President.

#### THE WHITE HOUSE

WASHINGTON

April 21, 1977

MEMORANDUM FOR RICK HUTCHESON

FROM

STU EIZENSTAT

SUBJECT

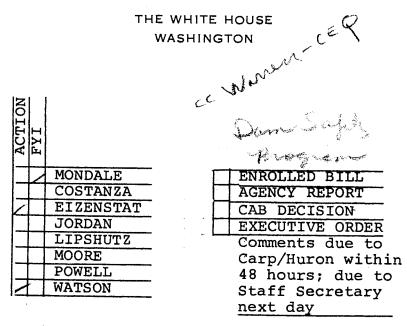
Action item on federal dam safety program

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# EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

APR 1 9 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

Bert Lance

Director

SUBJECT:

Dam Safety Program

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#### The memorandum:

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- -- directs the Chairman of the Federal Coordinating Council for Science, Engineering, and Technology to coordinate dam safety programs, searching for consistency and commonality where appropriate;
- -- directs the Director of the Office of Science and Technology Policy to have the coordinated programs reviewed by an outside panel of recognized experts, and report to the President on October 1, 1978.

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The memorandum has been reviewed by all concerned Executive Branch agencies.

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## THE WHITE HOUSE

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THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE CHAIRMAN, TENNESSEE VALLEY
AUTHORITY
THE COMMISSIONER, U.S. SECTION,
INTERNATIONAL BOUNDARY AND
WATER COMMISSION
THE CHAIRMAN, FEDERAL POWER
COMMISSION
THE PRESIDENT'S ADVISOR ON
SCIENCE AND TECHNOLOGY
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET

The safety of dams has been a principal concern of Federal agencies that are involved with the various aspects of their planning, construction, operation and ultimate disposal. Events of the past several years have highlighted the need to review procedures and criteria that are being employed by these agencies with the objective of ensuring that the most effective mechanisms are established to give the best assurance of dam safety possible within the limitations of the current state of knowledge available to the scientific and engineering communities. The safety of such projects should continue to be accorded highest consideration, and it is the responsibility of the head of each agency concerned to ensure the adequacy of his agency's dam safety program.

The head of each Federal agency responsible for, or involved with site selection, design, construction, certification or regulation, inspection, maintenance and operation, repair and ultimate disposition of dams shall immediately undertake a thorough review of practices which could affect the safety and integrity of these structures. This review will encompass all activities which can be controlled or regulated by the agency.

Several aspects of dam planning and construction require special attention. In particular, the following items should be investigated: the means of inclusion of new technological methods into existing procedures; the degree to which probabilistic or risk-based analysis is incorporated into the process of site selection, design, construction, and operation; the degree of reliance on expert interpretation of geologic data in site selection and design development; the effect on dam safety of earthquake or other earth movement hazards; and the effects of cost incentives on decision making processes both prior to and during construction.

The Chairman of the Federal Coordinating Council for Science, Engineering and Technology (FCCSET) shall convene an ad hoc interagency committee to coordinate dam safety programs, seeking consistency and commonality as appropriate, and providing recommendations as to the means of improving the effectiveness of the Government-wide dam safety effort. Representation on the FCCSET for this activity should be expanded to include other appropriate Federal agencies or departments including, but not limited to, the Tennessee Valley Authority, the United States Section-International Boundary and Water Commission and the Federal Power Commission. The FCCSET effort will include preparation of proposed Federal dam safety guidelines for management procedures to ensure dam safety, to be completed no later than October 1, 1977.

In addition, the Director of the Office of Science and Technology Policy will arrange for review of the proposed Federal dam safety guidelines and agency regulations and management practices, by a panel of recognized experts. The panel will obtain the views and advice of established organizations, professional societies, and others concerned with the safety of dams. The purpose of this review is to advise the President as to the adequacy of management procedures throughout the Federal Government to ensure the safety of dams which are in any way affected by a Federal role.

The review and a report thereon should be completed no later than October 1, 1978.

#### THE WHITE HOUSE

WASHINGTON

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MEMORANDUM FOR THE SECRETARY OF THE ARMY
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE CHAIRMAN, TENNESSEE VALLEY
AUTHORITY
THE COMMISSIONER, U.S. SECTION,
INTERNATIONAL BOUNDARY AND
WATER COMMISSION
THE CHAIRMAN, FEDERAL POWER
COMMISSION
THE PRESIDENT'S ADVISOR ON
SCIENCE AND TECHNOLOGY
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET

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The review and a report thereon should be completed no later than October 1, 1978.

THE WHITE HOUSE

WASHINGTON

Date: April 19, 1977

FOR ACTION:

Stu Eizenstat Jack Watson ► Frank Press

FOR INFORMATION: The Vice President

No comment.

Charles Warren

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/19/77 re Dam Safety Program.

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 5:00 P.M.

DAY: Thursday

DATE: April 21, 1977

**ACTION REQUESTED:** 

\_x\_ Your comments

Other:

**STAFF RESPONSE:** 

\_\_\_\_ I concur. Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required  WASHINGTON

Date: April 19, 1977

MEMORANDUM

OR ACTION:

Stu Eizenstat Jack Watson Frank Press FOR INFORMATION: The Vice President Charles Warren

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/19/77 re Dam Safety Program.

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 5:00 P.M.

DAY: Thursday

DATE: April 21, 1977

**ACTION REQUESTED:** 

\_x\_ Your comments

Other:

STAFF RESPONSE:

X | Concur.

\_\_ No comment.

Please note other comments below:

The Office of Science and Technology Policy is prepared to convene an <u>ad hoc</u> interagency committee and a review panel on dam safety programs if the President approves the memorandum.

Fronthess

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

the restrict any questions or if you enticipate a delay in submitting the required

#251

Date: April 19, 1977

FOR ACTION:

Stu Eizenstat/ Jack Watson Frank Press MEMORANDUM

FOR INFORMATION: The Vice President Charles Warren

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FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Bert Lance memo 4/19/77 re Dam Safety Program.

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 5:00 P.M.

DAY: Thursday

DATE: April 21, 1977

**ACTION REQUESTED:** 

\_x\_Your comments

Other:

**STAFF RESPONSE:** 

\_\_\_\_ I concur.

\_\_\_ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required

April 22, 1977

MEMORANDUM FOR RICK HUTCHESON

FROM

KATHY FLETCHER

SUBJECT:

Action Item on Federal Dam

Safety Program

Please note the corrections on page 2 as we discussed.

Attachment

April 21, 1977

MEMORANDUM FOR THE SECRETARY OF THE ARMY
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE CHAIRMAN, TENNESSEE VALLEY
AUTHORITY
THE COMMISSIONER, U.S. SECTION,
INTERNATIONAL BOUNDARY AND
WATER COMMISSION
THE CHAIRMAN, FEDERAL POWER
COMMISSION
THE PRESIDENT'S ADVISOR ON
SCIENCE AND TECHNOLOGY
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET

The safety of dams has been a principal concern of Federal agencies that are involved with the various aspects of their planning, construction, operation and ultimate disposal. Events of the past several years have highlighted the need to review procedures and criteria that are being employed by these agencies with the objective of ensuring that the most effective mechanisms are established to give the best assurance of dam safety possible within the limitations of the current state of knowledge available to the scientific and engineering communities. The safety of such projects should continue to be accorded highest consideration, and it is the responsibility of the head of each agency concerned to ensure the adequacy of his agency's dam safety program.

#### I. Agency Dam Safety Reviews

The head of each Federal agency responsible for, or involved with site selection, design, construction, certification or regulation, inspection, maintenance and operation, repair and ultimate disposition of dams shall immediately undertake a thorough review of practices which could affect the safety and integrity of these structures. This review will encompass all activities which can be controlled or regulated by the agency.

Several aspects of the problem require special attention. In particular, the following items should be investigated: the means of inclusion of new technological methods into existing structures and procedures; the degree to which probabilistic or risk-based analysis is incorporated into the process of site selection, design, construction, and operation; the degree of reliance on in-house, interagency, and outside expert interpretation of geologic data in site selection and design development; the effect on dam safety of earthquake or other earth movement hazards; the effects of cost-saving incentives on decisions both prior to and during construction; the procedures by which dam safety problems are identified, analyzed and solved; the involvement of local communities in identifying, analyzing and solving dam safety questions; and the major outstanding dam safety problems of the agency.

#### II. Interagency Report and Proposed Guidelines

The Chairman of the Federal Coordinating Council for Science, Engineering and Technology (FCCSET) shall convene an ad hoc interagency committee to coordinate dam safety programs, seeking consistency and commonality as appropriate, and providing recommendations as to the means of improving the effectiveness of the Government-wide dam safety effort. The agency reviews described above should be provided to the FCCSET as a basis for the interagency analysis on a timetable established by the FCCSET group as reasonable and consistent with the October 1, 1977 deadline for a final report. Representation on the FCCSET for this activity should be expanded to include other appropriate Federal agencies or departments including, but not limited to, the Tennessee Valley Authority, the United States Section-International Boundary and Water Commission and the Federal Power Commission. The FCCSET effort will include preparation of proposed Federal dam safety guidelines for management procedures to ensure dam safety. FCCSET should report on all these items.

#### III. Independent Review Panel

In addition, the Director of the Office of Science and Technology Policy will arrange for review of agency regulations, procedures and practices, and of the proposed federal dam safety guidelines, by a panel of recognized experts to be established immediately. The panel will obtain the views and advice of established organizations, professional societies, and others concerned with the safety of dams. The purpose of this review is to advise the President as to the adequacy of procedures and regulations throughout the Federal Government to ensure the safety of dams which are in any way affected by a Federal role.

Page Three

The review and a report thereon should be completed no later than October 1, 1978.

Note:

We have asked Hugh to send Out copies of his mail report to the Senior Staff automatically. Please

confirm that he is doing this. (If not, we should send them out this week.) He should so indicate on his memo by saying "cc: Senior Staff"

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Page 1+3-motorly

Trusty

April 23, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

HUGH CARTER

SUBJECT:

Weekly Mail Report (Per Your Request)

Below are statistics on the mail situation:

INCOMING	WEEK ENDING 4/15	WEEK ENDING 4/22
Presidential First Lady Amy Other First Family	52,122 2,367 2,419 193	65,623 2,233 2,381 208
Total	57,101	70,445
BACKLOG	WEEK ENDING 4/15	WEEK ENDING 4/22
Presidential First Lady Amy Miss Lillian Transition	11,000 1,500 3,000 1,000 5,500	29,000 3,000 5,000 500 2,000
Total	22,000	39,500
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# DISTRIBUTION OF PRESIDENTIAL MAIL ANALYZED

	WEEK ENDING 4/15	WEEK ENDING 4/22
Agency Referrals WH Correspondence Direct File White House Staff Other	51% 32% 6% 7% <u>4%</u>	53% 25% 7% 11% <u>4%</u>
Total	100%	100%

See Notes on following pages

**Electrostatic Copy Made for Preservation Purposes** 

# NOTES: Mail - Week Ending 4/22/77

- 1. Overall backlog increased by 17,000 to 39,500 due to the following reasons:
  - -- the reply section fell behind about 8,000 because of typing requests on energy and health messages, and water project announcement material.
  - -- about 6,000 replies to comments on legislation are ready to go but are held in dispatch pending arrival of reorder of card expected in Monday.
  - -- about 3,000 Amy replies are awaiting reorder of Amy postcard, due in next week.

All of these are non-recurring and backlog should go back to normal levels next week.

- 2. <u>Incoming receipts</u> of Presidential and First Family mail totaled 70,445, close to the average since the Inauguration.
- 3.  $\frac{\text{Detailees}}{33 \text{ and will remain at that level.}}$
- A statistical tally of writers positions on key issues and a verbal summary of the contents of the mail are attached. The latter is a new addition to this report.

# MAJOR ISSUES IN CURRENT PRESIDENTIAL ADULT MAIL Week Ending 4/22

ISSUE	PRO	CON	COMMENT ONLY	NUMBER OF LETTERS
Aid to Soviet Jews/ Human Rights Stand	97%	3%	0	509
Energy Saving Suggestions			100%	1,979
Water Project Cuts by President	55%	45%	0	295
Restrict Imports from Coming Into US	86%	14%	0	2,074
Use of Off-Road Vehicles On Public Land	90%	10%	0	1,251
Economic Problems/Social Security Complaints			100%	1,272
Plutonium Curb	91%	9 %	0	547
President's Cancellation of Tax Rebate	7%	93%	0	1,256
Andrew Young (Remarks) (4 days)	7%	93%	0	264
President's Chat 4/18 (4 days)	65%	17%	18%	1,274
President's Message to Congress (2 days)	79%	11%	10%	1,200
			Total	11,921

### THE WHITE HOUSE

WASHINGTON

## MAIL SUMMARY - WEEK ENDING APRIL 22, 1977

The following statements are based on debriefings of mail analysts during the week.

### GAS TAX CAUSES MAJOR CRITICISM OF ENERGY PLAN

Most of the mail concerning energy related issues and the President's recent speeches is supportive in tone. The criticism stems from the proposed gasoline tax increase. This issue has motivated predominately low to moderate income people to express their disapproval of higher taxes. Some say recreational activities will have to be cut short.

Handicapped persons feel penalized by the proposed tax of gas guzzling cars, since they <u>need</u> larger vehicles. The writers request that some provision be made for them.

Concerns over the safety and waste factors of nuclear power plants have prompted strong anti-nuclear power plant mail.

### TAX REBATE CANCELLATION DISAPPOINTS MANY

Many low to middle income bracket citizens are disappointed by the President's decision to cancel his \$50 rebate proposal. Several writers contend this action contradicts campaign promises, and others argue that the rebate was only fair considering recent Congressional and Senior White House Staff pay raises. Many say they have already spent the anticipated rebate on tax debts, utility bills, necessities, or recreation.

### ANDREW YOUNG MAIL HIGHLY CRITICAL

Strong criticism and calls for resignation in recent letters are coupled with allegations that Andrew Young is "undiplomatic" and "indiscreet" based on his "racial" statements about South Africa and England. Some writers add that his remarks do not reflect good U.S. policy. Others charge that he

is naive and that the U.N. should not be used as a training ground. The Young mail, in most cases, is very hostile. The surge, however, is over and the quantity of anti-Young mail is starting to fall off.

# JOBS KEY ISSUE IN PORPOISE MAIL

There is an apparent concern by the tuna industry that the Marine Mammal Protection Act will cause a high loss of jobs. It appears that the mail is the result of an organized effort by the industry; the letters say employment is the issue, not killing porpoises.

# ORV ENTHUSIASTS CONTINUE CAMPAIGN

Mail from those persons worried about a possible ban on off-road vehicles from public lands is still arriving, and it is obvious that many family members and businessmen who have an interest in snowmobiles or motorcycles have organized a write-in campaign.

## MISCELLANEOUS

 $\overline{\text{FBI}}$  -- Fellow Agents are writing on behalf of retired FBI Agent, John Kearney, saying the indicted Agent should not be prosecuted. Some writers mention that the charges have caused low morale in the agency.

OLDER AMERICANS -- More and more senior citizens are concerned about money and a high cost of living. Some severe personal problems are cited here. Writers also complain about cutbacks in VA pensions whenever social security benefits increase.

HUMAN RIGHTS -- The mail load on this issue is lighter now than during recent weeks, when many people urged the President to stay strong on human rights. The new twist in some of the mail is that the President is being asked to show more concern about U.S. policies regarding human rights at home and in other countries besides the Soviet Union.

PORNOGRAPHY -- Letter writers urge the President to see what he can do to keep pornographic material off the television networks and the newsstands.

April 23, 1977

Hamilton Jordan

The attached was returned in the President's outbox. It is forwarded to you for your information.

Rick Hutcheson

Re: Council on Wage and Price Stability.

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THE WHITE HOUSE

WASHINGTON

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### THE WHITE HOUSE

WASHINGTON

April 21, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

HAMILTON JORDAN

SUBJECT:

COUNCIL ON WAGE AND PRICE STABILITY

When the order for the Members and Chairman of the Council on Wage and Price Stability was submitted to you, you raised a question. The background is as follows:

Mike Blumenthal wrote a memorandum on April 8th noting that the Council was without members or a chairman. He proposed that we move quickly on this. He further noted that he and Charlie Schultze agreed that Mike should serve as the Chairman of the Council and that this had been the arrangement since the inception of COWPS. As Chairman of the EPG, Mike and Charlie felt it was logical that he also serve as chairman of COWP which has to report to, and through, EPG. Mike's initial recommendation of membership was modified, after discussion with his office, to add Bob Strauss as a member of the Advisory Group.

The original recommendation by Charlie Schultze was withdrawn when he and Mike determined that Mike should be the Chairman of COWPS.

Ham mens to EpG

Look up and Harris
We added Harris

**Electrostatic Copy Made** for Preservation Purposes

April 21, 1977

Hamilton Jordan -

President didn't sign. We will resubmit with your response to the President's query.

Rick Hutcheson

Re: Council on Wage & Price Stability





THE WHITE HOUSE

FYI	Hamilton- ( Librit 1:jn - ( 12 submit in response to guerry.	The	· lent re will your Pres's
	MONDALE		ENROLLED BILL
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	EIZENSTAT		CAB DECISION
	JORDAN		EXECUTIVE ORDER
Τ	LIPSHUTZ	-	Comments due to
T	MOORE		Carp/Huron within
	POWELL		48 hours; due to
	WATSON		Staff Secretary

$\Box$	FOR STAFFING
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next day

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Mr. President:

The attached is recommended by Blumenthal and Jordan.

Rick

THE WHITE HOUSE

WASHINGTON

April 20, 1977

Compatible of the ??

MEMORANDUM FOR:

FROM:

SUBJECT:

THE PRESIDENT

JAMES B. KING

Presidential Designation

Attached for your signature is an order appointing the following-named persons to be Members and Adviser Members of the Council on Wage and Price Stability:

## Members

The Secretary of State
The Secretary of Commerce
The Secretary of Labor
The Secretary of Housing and Urban Development
The Director of the Office of Management and Budget
The Chairman of the Council of Economic Advisors
The Assistant to the President for Domestic
Affairs and Policy

### Adviser Members

The Attorney General The Secretary of Agriculture The Secretary of Health, Education, and Welfare The Special Trade Representative

Also attached is an order designating The Secretary of the Treasury to serve as Chairman of this Council.

**Electrostatic Copy Made** for Preservation Purposes

Pursuant to the provisions of Public Law 93-387, as amended, I hereby appoint the following-named persons to be Members and Adviser-Members of the Council on Wage and Price Stability as indicated:

#### Members

Cyrus Vance, Secretary of State

W. Michael Blumenthal, Secretary of the
Treasury

Juanita M. Kreps, Secretary of Commerce
Ray Marshall, Secretary of Labor

Patricia Roberts Harris, Secretary of Housing
and Urban Development

Thomas Bertram Lance, Director of the
Office of Management and Budget

Charles L. Schultze, Chairman of the
Council of Economic Advisers

Stuart E. Eizenstat, Assistant to the President
for Domestic Affairs and Policy

## Adviser-Members

Griffin B. Bell, The Attorney General Cecil D. Andrus, Secretary of the Interior Joseph A. Califano, Jr., Secretary of Health, Education, and Welfare Robert S. Strauss, Special Representative for Trade Negotiations

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THE WHITE HOUSE,

Reinenthal and Chairman -a list required

ORDER

Pursuant to the provisions of Public Law 93-387, as amended, I hereby designate W. Michael Blumenthal, Secretary of the Treasury, as Chairman of the Council on Wage and Price Stability.

THE WHITE HOUSE,

Pursuant to the provisions of Public Law 93-387, as amended, I hereby appoint the following-named persons to be Members and Adviser-Members of the Council on Wage and Price Stability as indicated:

## Members

Cyrus Vance, Secretary of State
W. Michael Blumenthal, Secretary of the
Treasury
Juanita M. Kreps, Secretary of Commerce
Ray Marshall, Secretary of Labor
Patricia Roberts Harris, Secretary of Housing
and Urban Development
Thomas Bertram Lance, Director of the
Office of Management and Budget
Charles L. Schultze, Chairman of the
Council of Economic Advisers
Stuart E. Eizenstat, Assistant to the President
for Domestic Affairs and Policy

## Adviser-Members

Griffin B. Bell, The Attorney General
Cecil D. Andrus, Secretary of the Interior
Joseph A. Califano, Jr., Secretary of Health,
Education, and Welfare
Robert S. Strauss, Special Representative for
Trade Negotiations

Timmy Carter

THE WHITE HOUSE,

THE WHITE HOUSE WASHINGTON April 23, 1977

# Hamilton Jordan

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hatcheson

cc: Jim King

Re: Commissioner, Federal Maritime Commission -Frank Peel.

ACTION			
	MONDALE	Γ	ENROLLED BILL
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	EIZENSTAT	. [	CAB DECISION
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	LIPSHUTZ		Comments due to
	MOORE		Carp/Huron within
	POWELL		48 hours; due to
	WATSON		Staff Secretary
			next day

	FOR STAFFING
П	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
П	LOG IN/TO PRESIDENT TODAY
	TMMEDIATE TURNAROUND

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	SMITH
	STRAUSS
	WELLS
	VOORDE

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### THE PRESIDENT HAS SEEN.

## THE WHITE HOUSE

WASHINGTON

April 21, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

HAMILTON JORDAN

SUBJECT:

COMMISSIONER, FEDERAL MARITIME

COMMISSION - FRANK PEEL

Juanita Kreps and Anne Wexler have strongly urged that you appoint Frank Peel to be a Commissioner of the Federal Maritime Administration, to fill a vacancy on the Commission.

Frank's qualifications for the job are attested to by Robert Blackwell, Assistant Secretary of Commerce for Maritime Affairs, a professional in the field. A copy of his memorandum is attached.

Based upon Blackwell's assessment and the fact that both Juanita and Anne are very positive in recommending Frank, I recommend you approve his appointment as Commissioner of the Federal Maritime Commission. The appointment is for a five year term.

APPROVE	10
DISAPPROVE	1
OTHER	

Attachment

Electrostatic Copy Made for Preservation Purposes

April 8, 1977

MEMORANDUM FOR: Hamilton Jordan

Assistant to the President

From:

Robert J. Blackwell

Assistant Secretary for Maritime Affairs

The Federal Maritime Commission is an independent agency which exercises economic regulation over common carriers by water engaged in the international and domestic commerce of the United States. Decision making at the Commission is vested in five Commissioners who serve for terms of five years. They are appointed by the President who also has the power to designate the Chairman.

The term of Commissioner Clarence Morse(R) expired on June 30, 1976 and the term of Commissioner Ashton Barrett(D) expires on June 30, 1977. The latter is in his seventies and lately has been in poor health. It is likely that he will not seek re-nomination.

I believe that Francis M.S. Peel (resume attached) would make an ideal candidate for either of these positions. He has the character, education, experience and motivation to make an excellent Commissioner. The Commission functions almost exclusively through quasi-judicial decision making. His legal training and international law experience, plus his personal traits (honesty, objectivity, maturity, impartiality) make him particularly suited to the judge's role. Moreover, because approximately 85 percent of the Commission's activities concern international trade, Mr. Peel's international law experience would be an additional valuable asset to the Commission.

I also have been impressed with the way Mr. Peel has assisted Secretary Kreps in effectively dealing with staffing, organizational and new initiatives at the Commerce Department. Regulatory agencies are held in rather low-esteem by the general public and the Federal Maritime Commission is considered the worst of the lot. Major changes are in order. Francis Peel's executive ability and experience will permit him to make effective contributions for major positive changes that must be undertaken at the Commission if it is ever to function the way the President desires and the public deserves.

Francis Peel's character, training and experience make him an exceptional candidate for nomination as a member of the Federal Maritime Commission and I strongly recommend him for that position.

Attachment

# THE WHITE HOUSE WASHINGTON April 23, 1977

Stu Eizenstat

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: Redwoods National Park

ACTION	FYI				
		MONDALE	, '		ENROLLED BILL
		COSTANZA			AGENCY REPORT
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		JORDAN			EXECUTIVE ORDER
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		MOORE			Carp/Huron within
		POWELL	•		48 hours; due to
		WATSON			Staff Secretary
,			-		next day

П	FOR STAFFING
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CARP	POSTON
H. CARTER	PRESS
CLOUGH	B. RAINWATER
FALLOWS	SCHLESINGER
FIRST LADY	SCHNEIDERS
GAMMILL	SCHULTZE
HARDEN	SIEGEL
HOYT	SMITH
HUTCHESON	STRAUSS
JAGODA	WELLS
KING	VOORDE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

April 20, 1977

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Board be Cooperation

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MEMORANDUM FOR

THE PRESIDENT

FROM

STU EIZENSTAT

SUBJECT:

Redwoods National Park

On Monday I submitted to you a memorandum from Director Bert Lance which recommended the preparation of an option paper on the Administration position for expanding Redwoods National Park.

I have been informed that Director Lance and Secretary Andrus met privately to work out their differences on this issue, and thus there is no need for the preparation of an issue paper.

Director Lance has agreed fully with the recommendations outlined in the Secretary's memorandum of April 13th. That memorandum recommended:

- \$359,000,000 to expand the Park by 48,000 acres;
- \$12,000,000 for a five-ten-year rehabilitation program; and,
- \$40,000,000 for a retraining and unemployment program carried out in cooperation with the Departments of Commerce and Labor.

This comprehensive package will assure the adequate protection of the Park, rehabilitate already logged areas and lessen the impact of Park expansion on employment in the area. This represents the first time that the federal government has recognized the human impacts of a Park expansion and taken action to deal with this problem.

> **Electrostatic Copy Made** for Preservation Purposes

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THE WHITE HOUSE WASHINGTON

April 23, 1977

Zbigniew Brzezinksi

The attached was returned in the President's outbox. It is forwarded to you for appropriate hardling.

Rick Hutcheson

Re: Appt. of U.S. Rep. to NATO Comm. on the Challenges of the Modern Society.

THE WHITE HOUSE

WASHINGTON

ACTION

April 20, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Appointment of U.S. Representatives to the NATO Committee on the Challenges of the Modern Society (NATO/CCMS)

The Administrator of the Environmental Protection Agency has in the past been the U.S. Representative to NATO/CCMS, with the Deputy Secretary of Transportation as his Alternate. Douglas Costle and Alan Butchman, the respective incumbents, both desire to assume these functions. The State Department concurs in naming Messrs. Costle and Butchman, noting that their selection will serve as an effective indication of a continuing U.S. commitment to strong Alliance programs designed to deal with issues of a civilian nature.

# RECOMMENDATION

That you sign the letters at Tab A, naming Douglas Costle as Representative, and Alan Butchman as Alternate Representative, to NATO/CCMS.

To Douglas Costle

I am pleased to appoint you as U.S. Representative to the NATO Committee on the Challenges of Modern Society (CCMS), and to inform you that Alan Butchman, Deputy Secretary of Transportation, will serve as your Alternate.

This Administration's commitment to environmental concerns and to international cooperation within the Atlantic Alliance finds active expression in the CCMS. This committee provides an effective means by which NATO members can pool their technical resources in an attempt to solve our common problems in such fields as environment, transportation, energy, and health, while strengthening the cooperative relationship that exists between us. Many of our federal agencies have, under the coordination of the U.S. Representative, played substantial roles in GCMS projects.

Be assured of my strong support for your efforts.

Sincerely,

Honorable Douglas M. Costle Administrator

Environmental Protection Agency

Washington, D.C. 20460

## To Alan Butchman

I am pleased to appoint you as Alternate U.S. Representative to the NATO Committee on the Challenges of Modern Society (CCMS). Douglas Costle, the Administrator of the Environmental Protection Agency, will serve as the Representative.

This Administration's commitment to environmental concerns and to international cooperation within the Atlantic Alliance finds active expression in the CCMS. This committee provides an effective means by which NATO members can pool their technical resources in an attempt to solve our common problems in such fields as environment, transportation, energy, and health, while strengthening the cooperative relationship that exists between us. Many of our federal agencies have, under the coordination of the U.S. Representative, played substantial roles in CCMS projects.

Be assured of my strong support for your efforts.

Sincerely,

Honorable Alan A. Butchman Deputy Secretary Department of Transportation

Washington, D. C. 20590

# THE WHITE HOUSE

WASHINGTON

Date:

April 20, 1977

MEMORANDUM

FOR ACTION:

Hamilton Jordan

FOR INFORMATION:

Jim King Bob Linder

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Zbigniew Brzezinski memo 4/20 re Appointment of U.S. Representatives to the NATO Committee on the Challenges of the Modern Society (NATO/CCMS).

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 1:00 P.M.

DAY: Friday

DATE: April 22, 1977

**ACTION REQUESTED:** 

\_X\_ Your comments

Other:

STAFF RESPONSE:

Please note other comments below:

\_ No comment.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

(2)

Date: April 20, 1977	N	MEMORANDUM
FOR ACTION: Hamilton Jordan	FOR INFORMATION:	Jim King

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Zbigniew Brzezinski memo 4/20 re Appointment of U.S. Representatives to the NATO Committee on the Challenges of the Modern Society (NATO/CCMS).

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STAFF RESPONSE:

Please note other comments below:

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**ACTION** 

April 20, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

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### RECOMMENDATION

That you sign the letters at Tab A, naming Douglas Costle as Representative, and Alan Butchman as Alternate Representative, to NATO/CCMS.

# THE WHITE HOUSE

WASHINGTON

April 23, 1977

## Frank Moore

The attached was returned in the President's outbox. It is forwarded to you for your appropriate action.

Rick Hutcheson

cc: The Vice President Midge Costanze Hamilton Jordan Bob Lipshutz Jody Powell Jack Watson Joe Aragon Peter Bourne Zbigniew Brzezinski Landon Butler Hugh Carter Jim Fallows Richard Harden Jim King Tim Kraft Bert Lance Bunny Mitchesll Betty Rainwater Jim Schlesinger Greg Schneiders Charles Schultze Mark Siegel

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ACTION	FYI		
	T	MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
		EIZENSTAT	CAB DECISION
		JORDAN	 EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
X		MOORE	Carp/Huron within
		POWELL	48 hours; due to
		WATSON	Staff Secretary
			next day

П	FOR STAFFING
	FOR INFORMATION
M	FROM PRESIDENT'S OUTBOX
$\Box$	LOG IN/TO PRESIDENT TODAY
П	IMMEDIATE TURNAROUND

	7	ARAGON
	П	BOURNE
		BRZEZINSKI
_	7	BUTLER
1		CARP
	T	H. CARTER
		CLOUGH
		FALLOWS
_		FIRST LADY
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	T	HARDEN
		HOYT
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		JAGODA
		KING

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T	MITCHELL
	POSTON
	PRESS
T	B. RAINWATER
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# RESULTS OF THE HARRIS POLL



President Carter's energy proposal meets with public approval on nearly all provisions of margins from 2 to 1 to margins of 8 to 1. The exceptions are on the standby tax rise of a nickel per gallon which is opposed by a 54% to 39% margin. The recommendation that crude oil prices be taxed but in time rise to world oil prices was opposed 45% to 35%. The natural gas price rise if there is a cap on it is approved 53% to 39%.

Contrary to what everybody thought, the expectation of the President's overall job rating is up not down from 66 to 28% a couple of weeks ago to 67 to 29% after his speech.

It must be pointed out that in almost every crisis that a President is involved in, the primary response is to rally behind him.

Changes as a result of the message:

Number who think the Energy situation is serious — up from 81 to 86% very serious — up from 44 to 50%

Ten years from now: will be serious — 79% up from 73% a year ago very serious — 60% up from 50%

very important for public and industry to cut back on use of energy - 59-66%

most Americans are wasteful -- 59-63%

Therefore it can be concluded that the President was moderately successful in convincing Americans that there is a crisis, that they are wasteful and that conservation is necessary. There are two areas where the Carter energy program could run into real trouble.

Although, overall, 56% think the program was as tough as it should be and only 13% said it was too tough and 14% said it was not tough enough, by 62-26%, a big majority feels that the program does not call for "equality of sacrifice on a fair basis" but instead "the burden will fall most heavily on some people than others in an unfair way."

### WHO UNFAIR TO

<u>Hurt</u>	Too Tough	Too Easy	About Right	Not Sure
Elderly and fixed income	52%	2%	29%	17%
Poor	43%	4%	35%	18%
People who drive cars to				
work	35%	10%	38%	17%
Farmers and rural residents	28%	4%	41%	27%
Getting off too easily Big oil and natural gas				
companies	8%	37%	32%	23%
Industry as a whole	8%	24%	48%	20%
Nuclear power companies	7%	15%	43%	35%
Environmentalists	8%	14%	48%	30%
About right				
Big car owners	21%	22%	42%	15%
Automobile industry	19%	21%	40%	20%
Coal industry	6%	8%	56%	<b>30</b> %
American people as a whole	15%	<b>7</b> %	64%	14%

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(It shows the President went about as far as he can go)

3

This indicates that release has to be given to poor and elderly and people not in those categories feel these people are being hurt. (Congress could help here)

When asked if they think that this program will result in big cutbacks in use of energy:

Very effective	21%	
Somewhat effective	62%	
Not at all	9%	
Not sure	8%	

If it will increase available energy in United States:

Very effective	20%
Somewhat effective	57 <del>%</del>
Not at all	10%
Not sure	13%

This shows people are skeptical that he has not done enough.

	Favor	Oppose	Not Sure
Give people tax credit to insulate homes better Increase strip mining of coal	85%	11%	4%
but also protect environment Making certain that industries	82%	8%	10%
using coal are pollution free Offering business and consumers a lower electricity rate if they	81%	10%	9%
use it in off hours Areas building their own electric power plants which will use coal and tax those that continue	74%	17%	9%
to use oil and gas Tax credit of up to \$2000 for installing solar heat in a	78%	18%	11%
home Rebate to consumers on new tax	68%	22%	10%
put on home heating Speeding up construction of commercial nuclear power	63%	21%	16%
plants Putting a stiff tax on new cars that give lower miles to the gallon and a rebate to purchase	61% rs	26%	13%
of cars with high mpg	60%	33%	7%

On pricing area, 5 cent a gallon standby tax, college educated were divided 47% to 47%. It was a standoff and this will be the most articulate and vocal group. It should be noted that these are not 5 or 6 to one majority as predicted.

62% of families saw the President's speech to the Congress, 45% saw the fireside chat on Monday. Among the 35% who saw both, on the 5¢ standby tax, they favor it 52-42 percent. This can mean that with further campaigning, the President can bring the public around to support the tax, but it also might mean that those who felt most urgently about the situation are those who tuned in both nights.

When asked what they think Congress will do: Almost all - 16%; only part - 68%; almost none - 10%; not sure 6%. In giving these answers, the American people are reflecting their own personal views where they don't buy all of the program so they think Congress will reflect their views on the subject.

One significant breakout by region contrary to what everybody thought, people in the West are most in favor of the tax, tough action, than any other region. The reason for this is that they are afraid that if we don't take tough steps now, they stand a chance of loosing their only means of transportation.

1/23/17

THE WHITE HOUSE WASHINGTON April 25, 1977

The Vice President
Midge Costanza
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson

The attached is forwarded to you for your information.

Rick Hutcheson

Re: Balancing Budget in 1981: Economic Assumptions.





MONDALE			ENROLLED BILL
		$\vdash$	AGENCY REPORT
	·	$\vdash$	CAB DECISION
		$\vdash$	
			EXECUTIVE ORDER
LIPSHUTZ			Comments due to
MOORE			Carp/Huron within
POWELL	•		48 hours; due to
WATSON	•		Staff Secretary
	•		next day
	POWELL	COSTANZA EIZENSTAT JORDAN LIPSHUTZ MOORE POWELL	COSTANZA EIZENSTAT JORDAN LIPSHUTZ MOORE POWELL

П	FOR STAFFING
	FOR INFORMATION
П	FROM PRESIDENT'S OUTBOX
V	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

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		BOURNE
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		B. RAINWATER
		SCHLESINGER
_		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		STRAUSS
_		WELLS
		VOORDE
	_	

# THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS WASHINGTON

April 23, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

Charlie Schultze CLS

SUBJECT:

Balancing the Budget in 1981: Economic

Assumptions

This note is a preliminary to our discussion next week.

The OMB baseline projection of the "current services" budget for FY 1981 assumes a GNP growth which averages 5.1 percent a year between 1976 and 1981. The unemployment rate falls to 4.8 percent and the rate of inflation to 4.0 percent by 1981.

With those economic assumptions, and no new tax or expenditure programs, revenues would exceed expenditures by \$28.5 billion. (The \$28.5 is probably optimistic. It allows for no inflation adjustment in a number of Federal programs, including veterans' compensation and pensions.) The economic assumptions are assumptions, not forecasts — they are used to derive the personal income and corporate profits figures which, in turn, are needed to make estimates of revenues.

There is a two-way relationship between the growth of the economy and the budget:

- The rate of growth in the private economy affects the budget; the stronger the growth the larger are budget revenues.
- The budget affects the economy; tax cuts can be used to put money in consumers' pockets and to spur business investment -- private sales, output, and employment are stimulated; Federal expenditures

also put people to work, increase consumer incomes, and spur the economy. The greater the inherent strength of the private economy, the less it needs stimulus from the Federal budget.

Achieving both a balanced budget and full employment in 1981 depends on this two-way interaction:

- If the private economy does pick up sufficient steam then: (i) Federal revenues will be large enough to balance the budget; and (ii) the economic stimulus from a budget deficit will not be needed to reach high employment. Indeed, under these conditions a budget deficit would lead to economic overheating and renewed inflation.
- If, on the other hand, the private economy is not sufficiently strong then: (i) Federal revenues will not be large enough to balance the budget unless tax rates are increased or expenditures are cut; and (ii) such cuts in expenditures or tax rate increases would be exactly the wrong medicine because they would reduce economic growth still further, and make the unemployment picture even worse.

In <u>summary</u>, simultaneously achieving a balanced budget and high employment depends on the underlying strength of the private economy. We can achieve both a balanced budget <u>and</u> full employment only if the private economy grows strongly.

### The Strategy of Long-Run Budget Planning

The possibility and desirability of budget balance in 1981 thus depends on the underlying strength of the private economy over the next four years. But forecasting that far ahead with any degree of confidence is impossible. How, then, do we do long-run budget planning?

It is always easier to increase expenditures or cut taxes than to do the opposite. Once long-run expenditure commitments are made or permanent tax cuts passed, it is extremely difficult to undo them, should that prove necessary. For longer-run planning, therefore, we should act as if the economy will be growing strongly (as OMB has done). No decisions should be made currently, by way of long-run tax cuts or expenditure commitments, to the extent they would make a balanced budget impossible.

Budget discipline should be imposed in the context of this kind of planning. Unless this is done, we may be building in an inflationary deficit in years ahead.

If, as the time draws nearer, it turns out that the private economy is significantly weaker than is assumed in the long-run projections, we can react accordingly. Under those conditions a budget deficit would not only be inevitable, but desirable.

By proceeding along these lines we maximize our chances of having a balanced budget to prevent inflation, if the economy is strong, while still retaining our flexibility to stimulate the economy if that should prove necessary.

## Presentation Next Week

We are trying to develop some charts which would show:

- 1. The economic assumptions behind the OMB budget projections.
- 2. The necessary growth in key elements of the private sector necessary to make those assumptions come true, assuming a balanced Federal budget in 1981.

April 23, 1977

Hugh Carter

The attached was returned in the Precident's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Bob Lipshutz

re: Article re Mail

ACTION	FYI			
-		MONDALE		ENROLLED BILL
		COSTANZA		AGENCY REPORT
		EIZENSTAT	П	CAB DECISION
		JORDAN		EXECUTIVE ORDER
	X	LIPSHUTZ		Comments due to
		MOORE		Carp/Huron within
		POWELL		48 hours; due to
		WATSON		Staff Secretary
-				next day
				,

	FOR STAFFING
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	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
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	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

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To Hugh Carter
To Hugh Carter

Are you Sure
whout a 3-day
backlog?

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### THE WHITE HOUSE

WASHINGTON

On behalf of President Carter, I want to acknowledge your message. It is always helpful when people share their concerns with frankness and candor. You may be sure that your comments have been carefully noted.

I sent the President a clipping from The Star which reported that he was getting for his Oval Office the desk plaque President Truman had which says: "The buck stops here." A facsimilie supposedly has been placed in the Truman Museum for "the people" to enjoy while the

for "the people" to enjoy while the real one is gone.
"Please, Mr. President," I wrote,
"don't do it. If you have the original sign in the Oval Office, we, the people, are denied the thrill and gratification of seeing it. Why don't you use the replica in the Oval Office?"
The reply (see cut) was postmarked April 5. It took longer than it took to build Amy's tree house.

it took to build Amy's tree house. Helen Collins

Greenbelt, Md.

As a candidate, Mr. Carter had let it be known that he desired to re-vamp the U.S. Postal Service, and as President he spread the word that he wanted to hear "comments" from "average" Americans. So, being a career letter-carrier for almost 11 years, and actually believ-ing that President Carter really did want comments from the people, I sent a letter to him on that date two months ago. I am still waiting for a response.

In that letter, I said that I would be "delighted" if it came to Mr. Carter's personal attention, but that I would, at least, expect it to be directed to "whomever you have in charge of the problem of the United States Postal Service," and I included two enclosures, both published comments I had made on my concern for the postal service and management's harsh and unrealistic and dangerous "productivity" requirements.

Realizing that Mr. Carter had generated a great deal of mail, I ex-

pected to have to wait a "reasona-ble" time for a response, even though I did not think one would come from the President, himself. So when I had heard nothing by March 16, I began to wonder if my letter, sent first-class, had somehow become "lost" in the mail, and on that date, I sent a duplicate by cartified mail. that date, I sent a duplicate by certified-mail, return receipt requested. My receipt shows that it arrived the next day and was signed for by rubber stamp by "Manuel A. Mendoza." Even though I had no evidence that the first letter had not have relied to the White Haven

been recived at the White House, at least I knew the second one had. But, again, nothing happened; and on April 4, I sent a letter by certified mail, return receipt requested, outlining the story of my first two letters, adding: "No, Mr. President, I did not expect to hear from you, but I did expect a reply from whoever you have in charge of the problem of the United States Postal Service. For I am gravely distressed at the detorioration of mail 'service' and would sincerely like to be a part of solving the mess with the experience I have had as a long-time career letter carrier.

"But, Mr. President, as of this moment I am awfully discouraged and a little doubtful that your administration really does want to hear from the 'little guy' . . . the 'average' American. I hope, sir, these doubts can be dispelled!"

Nine days later, I received my re turn receipt, showing that my third letter was signed for at the White House (by rubber stamp again) on April 5 by "Joseph Rossiter" but I still have had no other response from my three letters to President Carter.

James A. Lemon, Letter Carrier, Route 26

McLean, Va.

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Gaither

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Herndon

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Hyatt

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